

**REPORT ON CORPORATE GOVERNANCE**

In terms of Regulation 34(3) read with Part C of SCHEDULE V to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a Report on Corporate Governance for the year ended 31<sup>st</sup> March, 2019 is presented below:

**1. A Brief Statement on the Company's philosophy on Code of Governance**

The Company has accepted the concept of Corporate Governance as a challenge and is committed to achieve highest level of Corporate Governance. Corporate Governance is nothing but to maintain high standards of transparency and fairness. To achieve the same, the Company has developed a team of educated, experienced and qualified management personnel. The Board of Directors of the Company effectively monitors the management progress and corporate decisions.

**2. Board of Directors**

As per the present requirements of Corporate Governance, the composition of Board of Directors consisting of Executive Directors as well as Non-Executive and Independent Directors.

**Composition and category of Directors:**

Presently, the Company has 6 (Six) Directors. Mr. Zaverilal Mandalia is the Chairman of the Board and is also a Non-Executive Promoter Director. The composition of the Board comprises of Five (05) Non-Executive Directors, of which, three (03) Directors are Independent Directors including one (01) Woman Director and one (01) Executive Director. In the opinion of the board, the independent directors fulfill the conditions specified in these regulations and are independent of the management. The Company has valid composition of Board as required under Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (LODR) . The details of such directors are;

Sr. No.	Name of Directors	Category of Directors	No. of Board Meeting attended	Attendance at last AGM held on 27th September, 2018	No. of other Directorships & Committee Memberships/ Chairmanships*			Directors inter-se relationship, if any	No. of Shares / (%)
					Director ship	Committee Member ship	Committee Chairman ship		
1	Mr. Zaverilal Mandalia	Promoter/ Non-Executive Director	05	Yes	05	Nil	Nil	Relative of Mr. Kishor Mandalia and Mr. Vipul Mandalia	804547/ (5.91)
2	Mr. Kishor Mandalia	Promoter/ Executive Director	04	Yes	07	Nil	Nil	Relative of Mr. Zaverilal Mandalia and Mr. Vipul Mandalia	1189102 / (8.73)
3	Mr. Vipul Mandalia	Promoter/ Non-Executive Director	03	Yes	03	Nil	Nil	Relative of Mr. Zaverilal Mandalia and Mr. Kishor Mandalia	836420/ (6.14)
4	Mr. Hitesh Adeshara	Non-Executive / Independent Director	05	Yes	NIL	Nil	Nil	Not Applicable	NIL
5	Mr. Ghanshy ambhai Akbari	Non-Executive / Independent Director	05	Yes	01	Nil	Nil	Not Applicable	NIL
6	Mrs. Nirupama Vaghjiani	Non-Executive / Independent Women Director	05	Yes	NIL	Nil	Nil	Not Applicable	NIL

\*Chairmanship and membership of committee include chairmanship and membership of audit committee and stakeholder relationship committee in other companies.

**Number of meetings of the Board of Directors held and dates on which held;**

During the financial year 2018-19, Board of Directors met 05 (Five) times and the gap between two board meeting was well within the limit prescribed i.e. the Gap between two Board Meetings never exceeded 120 days. The dates of each such Board Meetings are: -

<b>Quarter</b>	<b>Date(s) of Meeting</b>
1 <sup>st</sup> Quarter - From April to June, 2018.	29 <sup>th</sup> May, 2018
2 <sup>nd</sup> Quarter - From July to September, 2018.	8 <sup>th</sup> August, 2018
3 <sup>rd</sup> Quarter - From October to December, 2018.	8 <sup>th</sup> October, 2018 and 25 <sup>th</sup> October, 2018
4 <sup>th</sup> Quarter - From January to March, 2019.	7 <sup>th</sup> February, 2019

**Familiarisation Programme**

The Company has formulated policy for the Independent Directors to familiarize them with the Company, their roles, rights, responsibilities in the Company, nature of industry in which the Company operates, business model of the Company, etc. through various programmes from time to time. The said Policy is available on the website of the Company:

[http://ausom.in/PDF/POLICY/familiarisation\\_programme\\_for\\_independent\\_non-executive\\_directors.pdf](http://ausom.in/PDF/POLICY/familiarisation_programme_for_independent_non-executive_directors.pdf)

With a view to familiarize the Independent Directors with the Company's operations, separate meetings of the Independent Directors were convened on 7<sup>th</sup> February, 2019 (all Independent Directors were present) wherein the Directors were given detailed presentation covering the organizational set up, details of its promoters, shareholding pattern, details about other directors on the Board, accreditations / recognitions received by the Company, financial highlights of Company's performance, market share of major products, export share of major products, strategic advantages and concerns, other directors on the board etc.

**SKILLS / EXPERTISE / COMPETENCIES AVAILABLE WITH THE BOARD**

As required under the provisions of Schedule V(C)(h) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors has identified the core skills / expertise / competencies as required in the context of its business(es) and sector(s) for it to function effectively and those actually available with the Board as follows:.

- Entrepreneurship and Leadership
- Strategic Planning
- Industry Experience
- Communication and Negotiation
- Banking, Treasury & Forex Management
- Organization Management
- Marketing & Sales
- Financial, Regulatory / Legal & Risk Management
- Corporate Governance

**BOARD COMMITTEES:**

The business of the Board is also conducted through the Committee constituted by the Board to deal with specific matters as per delegated powers for different areas of the Company.

The terms of reference of the Board Committees, their composition and attendance of the respective Members at the various Committee Meetings held during the year are set out below:

### **3. Audit Committee**

The terms of reference of Audit Committee cover the matters specified under Regulation 18(3) read with Schedule II of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as well Section 177 of the Companies Act, 2013. The Members of the committee possess adequate knowledge of Accounts, Audit, Finance, etc.

The brief description of terms of reference of the Audit Committee inter-alia are as under:

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of auditors i.e. statutory and internal auditor of the Company;
3. Approval of payment to auditors i.e. statutory and internal auditor for any other services rendered by them;
4. Reviewing, with the management, the annual financial statements and auditors report thereon before submission to the board for approval, with particular reference to:
  - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of Clause (c) of sub-section 3 of Section 134 of the Companies Act, 2013.
  - b. Changes, if any, in accounting policies and practices and reasons for the same.
  - c. Major accounting entries involving estimates based on the exercise of judgement by management.
  - d. Significant adjustments made in the financial statements arising out of audit findings.
  - e. Compliance with listing and other legal requirements relating to financial statements.
  - f. Disclosure of any related party transactions.
  - g. Modified opinion(s) in the draft audit report.
5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
6. Reviewing, with the management, the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilised for purposes other than those stated in the offer document/prospectus/ notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
7. Review and monitor the auditor's independence and performance, and effectiveness of audit process;
8. Approval or any subsequent modification of transactions of the Company with related parties;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the Company, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12. Reviewing with the management, performance of statutory & internal auditors, adequacy of the internal control systems;
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14. Discussion with internal auditors of any significant findings and follow up there on;
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
18. To review the functioning of the Whistle Blower mechanism;

19. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
20. Carrying out any other function as may be decided by the Board and is mentioned in the terms of reference of the Audit Committee.

**Composition:**

The audit committee comprises of:-

<b>Name of Director</b>	<b>Category of Directorships</b>	<b>No. of Meetings Attended</b>
Mr. Hitesh Adeshara (Chairman of the Committee)	Non-Executive Independent Director	4
Mr. Ghanshyambhai Akbari	Non-Executive Independent Director	4
Mrs. Nirupama Vaghjiani	Non-Executive Independent Director	4

The Company Secretary acts as Secretary to the Committee.

**Meetings Details:**

In the financial year 2018-19, the Audit Committee met 04 (Four) times i.e. on 29-05-2018, 08-08-2018, 25-10-2018 and 07-02-2019.

During the year, all the recommendations of Audit Committee have been accepted by the Board.

**4. Nomination and Remuneration Committee**

The terms of reference of the committee are to be determined as per Regulation 19(4) in Part D of the Schedule II of SEBI (listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 178 of Companies Act, 2013 and Rules thereunder and recommend to the Board the nomination of Directors and remuneration payable to the Directors of the company and appraisal of performance.

The Brief description of the terms of reference of the Nomination and Remuneration Committee, inter alia, includes the following:

- 1) Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board of Director a policy relating to the remuneration of the directors, key managerial personnel and other employees;
- 2) Formulation of criteria for evaluation of performance of Independent directors and the board of directors.
- 3) Devising a policy on Board's diversity.
- 4) Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board of Directors their appointment and removal.
- 5) Identifying to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of Independent directors.

**Composition**

The Nomination and Remuneration Committee comprises of:-

<b>Name of Director</b>	<b>Category of Directorships</b>	<b>No. of Meeting attended</b>
Mr. Hitesh Adeshara (Chairman of the Committee)	Non-Executive Independent Director	02
Mr. Vipul Mandalia	Non-Executive Director/ Promoter	02
Mrs. Nirupama Vaghjiani	Non-Executive Independent Director	02

**Meetings Details:**

In the financial year 2018-19, the Nomination and Remuneration Committee met 02 (Two) times on 08-10-2018 and 07-02-2019.

**5. Meeting of Independent Directors**

As per Regulation 25 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and in compliance with Schedule IV of the Companies Act, 2013 and Rules thereunder, a separate meeting of the Independent Directors was held on 7<sup>th</sup> February, 2019, inter-alia, to discuss the way forward on review of performance of Non-Independent Directors, Chairperson and the Board as a whole and to assess the information flow between Management and the Board for ensuring effective participation by the Board Members.

In accordance with the provisions of the Companies Act, 2013 read with the Rules framed there under and Regulation 25 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Terms and Conditions of the appointment of the Independent Directors are available on the website of the Company:

<http://ausom.in/PDF/POLICY/Formal%20Letter%20of%20Appointment%20of%20Independent%20Director.pdf>

**Board Evaluation**

Pursuant to the provisions of the Companies Act, 2013 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Nomination and Remuneration Committee has formulated Policy on Nomination & Remuneration cum Board Diversity for selection, appointment and remuneration of Directors and Senior Management. The said policy also laid down criteria for performance evaluation of the Directors. The relevant extract of the Nomination & Remuneration cum Board Diversity Policy is reproduced below:

**"Criteria for Performance Evaluation"**

Following are the criteria for evaluation of performance of Directors and the Board:

1. Executive Director  
The Executive Director shall be evaluated on the basis of targets / criteria given to Executive Director/s by the Board from time to time.
2. Non-Executive Director/Independent Director  
The Non-Executive Director/Independent Director shall be evaluated on the basis of the following criteria, i.e. whether they:
  - (a) act objectively and constructively while exercising their duties;
  - (b) exercise their responsibilities in a bona fide manner in the interest of the company;
  - (c) devote sufficient time and attention to their professional obligations for informed and balanced decision making;
  - (d) do not abuse their position to the detriment of the company or its shareholders or for the purpose of gaining direct or indirect personal advantage or advantage for any associated person;
  - (e) refrain from any action that would lead to loss of his independence;
  - (f) inform the Board immediately when they lose their independence;
  - (g) assist the company in implementing the best corporate governance practices;
  - (h) strive to attend all meetings of the Board of Directors and the Committees;
  - (i) participate constructively and actively in the committees of the Board in which they are chairpersons or members;
  - (j) strive to attend the general meetings of the company;
  - (k) keep themselves well informed about the company and the external environment in which it operates;
  - (l) do not to unfairly obstruct the functioning of an otherwise proper Board or committee of the Board;
  - (m) moderate and arbitrate in the interest of the company as a whole, in situations of conflict between management and shareholder's interest;
  - (n) abide by Company's Memorandum and Articles of Association, Company's policies and procedures including Code of Conduct, Insider trading guidelines etc.
  - (o) regularly update their knowledge so as to remain updated on latest amendments of the Acts / Rules / Regulations etc.

The performance evaluation of the individual Director is to be done by all Directors excluding the Director being evaluated and performance evaluation of the Board and its Committees is to be done by the entire board. Based on the same, the Board has reviewed the annual performance evaluation of the individual directors, the Board and its committees.

#### **Code of Conduct**

The 'Code of Conduct for Senior Management Personnel' and the 'Code of Conduct for Directors' are available on the Company's Website web links:

[http://ausom.in/Code\\_of\\_Conduct\\_AuSom\\_Enterprise\\_Ltd.pdf](http://ausom.in/Code_of_Conduct_AuSom_Enterprise_Ltd.pdf)

All the Board Members and the Senior Management Personnel have affirmed compliance with the 'Code of Conduct' during the Financial Year 2018-2019. A Declaration by the Managing Director to this effect is provided at **Annexure-'1'** which forms part of this Report.

## **6. Remuneration of Directors**

#### **Remuneration Policy:-**

At present, the Managing Director, Mr. Kishor Mandalia is working on honorarium basis and no other directors are getting any remuneration and hence at this point of time the Company does not have any specific remuneration policy for the directors.

However, the Company voluntarily as per the requirements of Section 178(3), Nomination and Remuneration Committee has formulated a remuneration policy for Key Managerial Personnel and the same is annexed at **Annexure –'D'**.

#### **Details of remuneration to all the Directors:**

None of the directors of the Company, during the year has been paid remuneration except sitting fees and hence information in respect of remuneration to directors is not provided/applicable.

The Company is paying Rs. 1000/- per meeting as sitting fees to all Directors for attending Board Meeting. No commission or other benefits are given to any of the Directors. No sitting fees being paid to any directors for attending committee meeting. The details of sitting fees paid during the Financial Year are: -

<b>Name of Directors</b>	<b>Sitting fees in Rs.</b>
Mr. Zaverilal Mandalia	<b>5,000/-</b>
Mr. Kishor Mandalia	<b>4,000/-</b>
Mr. Vipul Mandalia	<b>3,000/-</b>
Mr. Ghanshyam bhai Akbari	<b>5,000/-</b>
Mr. Hitesh Adeshara	<b>5,000/-</b>
Mrs. Nirupama Vaghjiani	<b>5,000/-</b>

## **7. Stakeholders' Relationship/Grievance Committee**

#### **Term of Reference**

- Oversee and review all matters connected with the transfer of the Company's securities;
- Approve issue of the Company's duplicate share certificates;
- Consider, resolve and monitor redressal of investors' / shareholders' / security holders' grievances related to transfer of securities, non-receipt of Annual Report etc.;
- Oversee the performance of the Company's Registrars and Transfer Agents;
- Monitor implementation and compliance with the Company's Code of Conduct for Prohibition of Insider Trading;

- Carry out any other function as is referred by the Board from time to time and / or enforced by any statutory notification / amendment or modification as may be applicable;
- Perform such other functions as may be necessary or appropriate for the performance of its duties.

#### Composition

Name of Director	Category of Directorships	No. of Meetings Attended
Mr. Vipul Mandalia (Chairman of the Committee)	Non-Executive Director/ Promoter	18
Mr. Ghanshyambhai Akbari	Non-Executive Independent Director	23
Mrs. Nirupama Vaghjiani	Non-Executive Independent Director	23

#### Compliance Officer

Mr. Yogesh Ghatge, Company Secretary and Compliance Officer of the Company, is providing secretarial support to the Committee and was also the designated Compliance Officer for such matters.

#### Number of Shareholders' Complaints received so far, Number of Complaints not solved to the Satisfaction of shareholders and Number of pending Complaints

The Company has not received any Complaint during the financial year 2018-19. Even as on the date of this report no complaint is pending.

#### Meetings Detail:

In the financial year 2018-19, the Stakeholder's Relationship Committee met 23 (Twenty Three) times during the year.

#### 8. Corporate Social Responsibility Committee

Pursuant to the provisions of Section 135 of the Companies Act, 2013 and Companies (Corporate Social Responsibility Policy) Rules, 2014, the Board of Directors of the Company had constituted a "Corporate Social Responsibility Committee".

#### Term of Reference

The Committee's prime responsibility is to assist the Board in discharging its social responsibilities by way of formulating and monitoring implementation of the framework of 'Corporate Social Responsibility Policy'.

The Committee's constitution meets with the requirements of the Companies Act, 2013.

#### Composition

Name of Director	Category
Mr. Zaverilal Mandalia	Non-Executive Director/ Promoter
Mr. Vipul Mandalia	Non-Executive Director/ Promoter
Mr. Ghanshyambhai Akbari (Chairman of the Committee)	Non-Executive Independent Director

#### Meetings Details:

In the financial year 2018-19, the Corporate Social Responsibility Committee met on 7<sup>th</sup> February, 2019 during the year.

## 9. Risk Management Committee

### Term of Reference

Role and Responsibilities of the Committee includes the following:

- Framing of Risk Management Plan and Policy
- Overseeing implementation of Risk Management Plan and Policy
- Monitoring of Risk Management Plan and Policy
- Validating the process of risk management
- Validating the procedure for Risk Minimization
- Periodically reviewing and evaluating the Risk Management Policy and practices with respect to risk assessment and risk management processes
- Continually obtaining reasonable assurance from management that all known and emerging risks have been identified and mitigated or managed
- Performing such other functions as may be necessary or appropriate for the performance of its oversight function.

### Composition

<b>Name of Director</b>	<b>Category</b>
Mr. Vipul Mandalia (Chairman of the Committee)	Non-Executive Director/ Promoter
Mr. Ghanshyambhai Akbari	Non-Executive Independent Director
Mr. Hitesh Adeshara	Non-Executive Independent Director

### Meetings Details:

In the financial year 2018-19, the Risk Management Committee did not meet during the year.

## 10. General Body Meeting

### Annual General Meetings

During the preceding three years, the Company's Annual General Meetings were held at 11-B, New Ahmedabad Industrial Estate, Sarkhej-Bavla Road, Village- Moraiya-382 213. Dist.-Ahmedabad.

The date and time of Annual General Meetings held during last three years, and the special resolution(s) passed thereat, are as follows:

<b>YEAR</b>	<b>DATE AND TIME</b>	<b>SPECIAL RESOLUTION PASSED</b>
2015-2016 32 <sup>nd</sup> AGM	29-09-2016 (10:30 a.m.)	No Special Resolution was passed in the meeting
2016-2017 33 <sup>rd</sup> AGM	28-09-2017 (10:30 a.m.)	No Special Resolution was passed in the meeting
2017-2018 34 <sup>th</sup> AGM	27-09-2018 (10:30 a.m.)	1. Authority for giving Loan(s) to an entity under the category 'a person in whom any of the director of the company is interested' under Section 185 of the Companies Act, 2013

No Special Resolution was passed through postal ballot last year. Also, no Special Resolution are proposed to be conducted through postal ballot.



## 11. Means of Communication

Financial Results of the Company are published in the following newspapers:

Period	Date of approval by the Board	Date of Publication	Newspapers
Unaudited Financial Results for 1 <sup>st</sup> Quarter ended on 30.06.2018	8 <sup>th</sup> August, 2018	9 <sup>th</sup> August, 2018	The Financial Express - (Gujarati) The Indian Express - (English)
Unaudited Financial Results for 2 <sup>nd</sup> Quarter ended on 30.09.2018	25 <sup>th</sup> October, 2018	26 <sup>th</sup> October, 2018	The Financial Express - (Gujarati) The Indian Express - (English)
Unaudited Financial Results for 3 <sup>rd</sup> Quarter ended on 31.12.2018	7 <sup>th</sup> February, 2019	8 <sup>th</sup> February, 2019	The Financial Express - (Gujarati) The Indian Express - (English)
Audited Financial Results for 4 <sup>th</sup> Quarter and for the year ended on 31.03.2019	24 <sup>th</sup> May, 2019	25 <sup>th</sup> May, 2019	The Financial Express - (Gujarati) The Indian Express - (English)

**Quarterly / Yearly results:** Quarterly /Yearly financial results were placed on Company's website **www.ausom.in**.

**Website:** The Company has its own website **www.ausom.in** where all the information relating to shareholders and Quarterly /Yearly financial results were also available.

**Official news releases:** No official news released during the year.

**Presentation made to institutional investors or to the analysts:** No presentation was made to institutional investors or to the analyst.

**Annual Report:** The Annual Report containing, *interalia*, Audited Financial Statement, Directors' Report, Auditors' Report and other important information is circulated to members and others entitled thereto.

**NSE Electronic Application Processing System (NEAPS):** The NEAPS is a web-based application designed by NSE for corporates. All periodical compliances, filings like shareholding pattern, corporate governance report, media releases, among others are filed electronically on NEAPS.

**BSE Corporate Compliance & Listing Centre (the 'Listing Centre'):** BSE's Listing Centre is a web-based application designed for corporates. All periodical compliance filings like shareholding pattern, corporate governance report, media releases, among others are also filed electronically on the Listing Centre.

**SEBI Complaints Redress System (SCORES):** The investor complaints are processed in a centralised web-based complaints redress system. The salient features of this system are Centralised database of all complaints, online upload of Action Taken Reports (ATRs) by company and online viewing by investors of actions taken on the complaint and its current status.

**12. GENERAL INFORMATION FOR SHAREHOLDER**

<b>1.</b>	<b>Financial Year of the Company</b>	:	1 <sup>st</sup> April, 2018 to 31 <sup>st</sup> March, 2019
<b>2.</b>	<b>Day, Date and Time of 35<sup>th</sup> AGM</b>	:	Saturday, the 28 <sup>th</sup> September, 2019 at 10.30 a.m.
<b>3.</b>	<b>Venue of AGM</b>	:	At the Registered Office of the Company situated at: 11-B, New Ahmedabad Industrial Estate, Sarkhej-Bavla Road, Village-Moraiya-382 213. Dist.-Ahmedabad. Gujarat. India
<b>4.</b>	<b>Dates of Book Closure</b>	:	Monday, the 23 <sup>rd</sup> September, 2019 to Saturday, the 28 <sup>th</sup> September, 2019 (Both days inclusive)
<b>5.</b>	<b>Dividend payment date</b>	:	Not Applicable
<b>6.</b>	<b>Listing on Stock Exchanges</b>	:	<b>BSE Ltd.</b> Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai – 400 001. (Scrip Code : 509009) (Scrip ID : AUSOMENT)  <b>National Stock Exchange of India Ltd.</b> “Exchange Plaza” Bandra-Kurla Complex, Bandra (East) Mumbai: 400 051. (Scrip Symbol : AUSOMENT)
<b>7.</b>	<b>Annual Listing Fees</b>	:	The Company has paid Annual Listing Fees for the Financial Years 2019-20 to BSE Ltd. and National Stock Exchange of India Ltd.
<b>8.</b>	<b>Payment of Depository Fees</b>	:	Annual custody fee and custodial fee for the financial year 2019-20 and 2019-20 has been paid to National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).
<b>9.</b>	<b>Company’s ISIN No. with NSDL &amp; CDSL</b>	:	INE218C01016
<b>10.</b>	<b>No. of Employees</b>	:	3 (Three)
<b>11.</b>	<b>Stock Market Data</b>	:	Monthly high and low market price and the volume of shares traded at the Bombay Stock Exchange Ltd. and National Stock Exchange of India Ltd. are as follows.

**Market Price Data:**

The data on price of equity shares of the Company are as under:

Monthly high and low prices of equity shares of the Company quoted during each month in last financial year at BSE and NSE.

**Market Price Data:**

The data on price of equity shares of the Company are as under:

Monthly high and low prices of equity shares of the Company quoted during each month in last financial year at BSE and NSE.

Month	Share Price BSE		Volumes (BSE)	Share Price NSE		Volumes (NSE)
	High Value (Rs.)	Low Value (Rs.)	No of Shares	High Value (Rs.)	Low Value (Rs.)	No of Shares
Apr-18	113.40	68.50	4,21,669	113.55	68.35	36,05,467
May-18	79.70	65.00	42,275	80.00	64.00	3,50,503
Jun-18	85.35	66.65	81,357	84.85	64.00	2,81,418
Jul-18	78.35	65.70	31,519	80.00	65.15	1,72,312
Aug-18	75.45	52.00	61,873	76.00	53.55	3,54,177
Sep-18	75.85	54.00	12,095	70.05	54.00	1,72,890
Oct-18	62.70	47.65	1,14,031	64.50	47.90	1,01,718
Nov-18	61.95	45.05	56,601	59.10	46.45	51,825
Dec-18	51.30	39.90	65,818	51.80	39.20	64,956
Jan-19	60.95	37.90	1,17,141	61.10	37.45	4,39,393
Feb-19	38.90	30.25	6,013	39.45	26.40	57,164
Mar-19	38.95	33.00	15,079	39.35	32.15	42,615

**Performance in comparison to broad-based indices such as BSE sensex, CRISIL Index etc;**

Chart A: AuSom Enterprise Limited Share Performance versus BSE Sensex

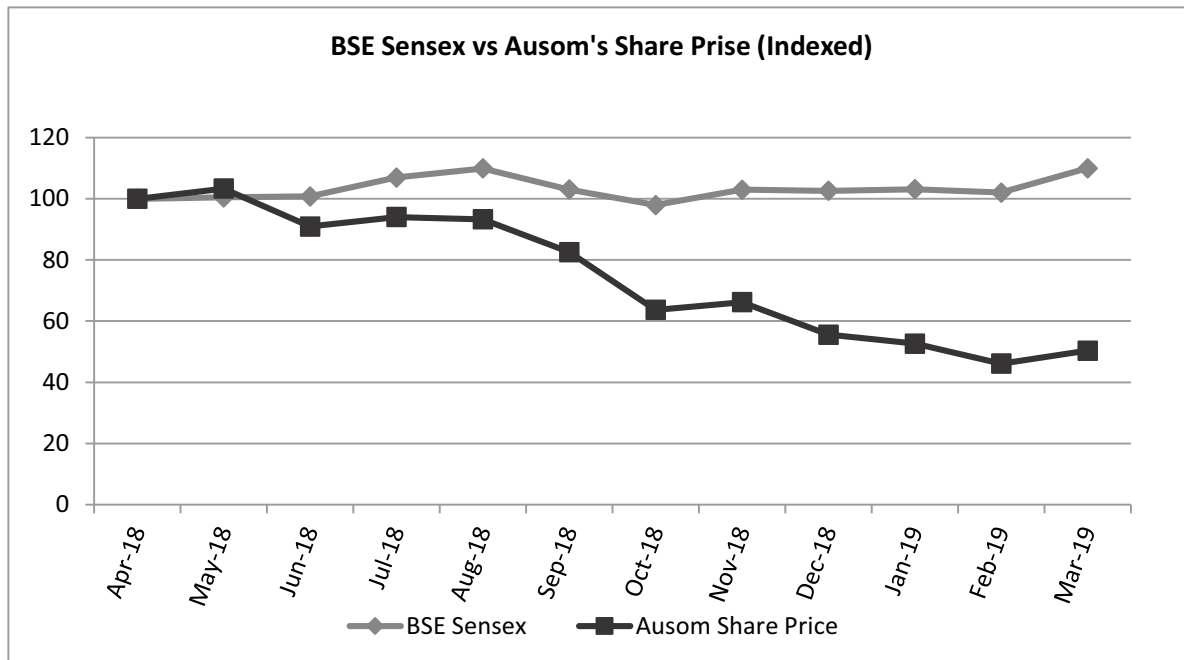
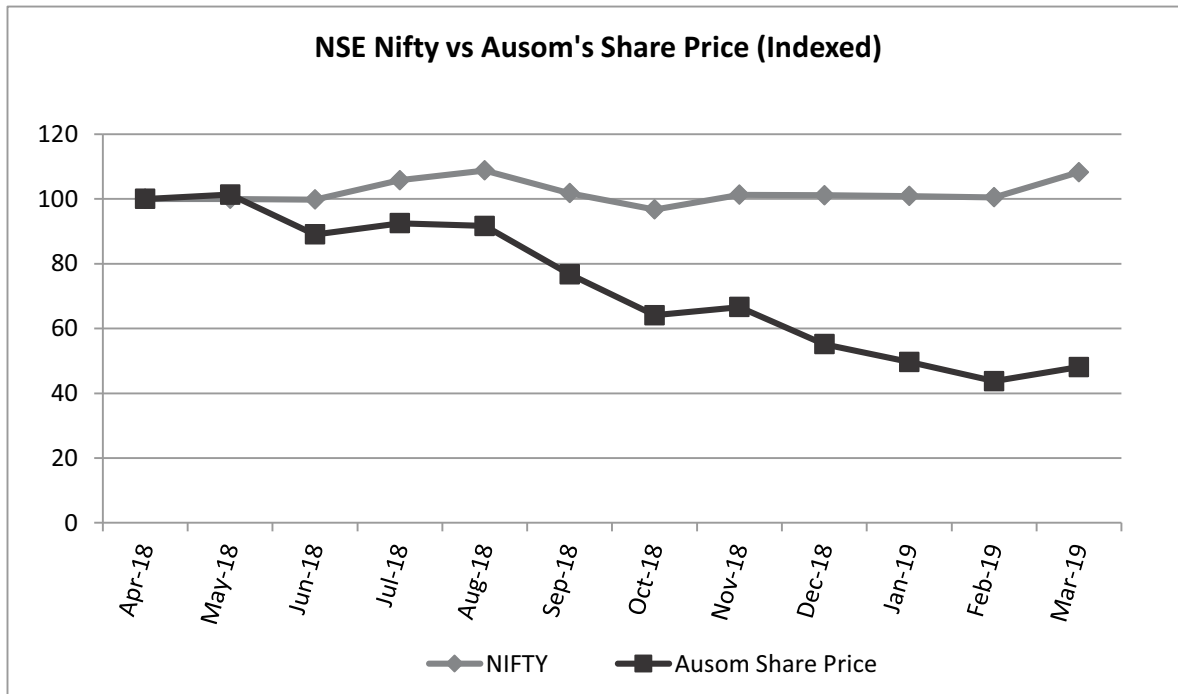


Chart B: AuSom Enterprise Limited Share Performance versus NSE NIFTY



#### Registrar and Transfer Agents

The Company has appointed M/s. Link Intime India Private Limited for Share Transfers, dematerialization of shares and all other investors related activities as attended and processed at the office of the Registrars and Share Transfer Agents at the following address:

#### M/S. LINK INTIME INDIA PRIVATE LIMITED

5th Floor, 506 to 508, Amarnath Business Center -I (ABC-I),  
Beside Gala Business Center, Nr. St. Xavier's College Corner,  
Off C.G. Road, Navrangpura, Ahmedabad - 380 009.

**Tel.:** +91 79 26465179 **Fax:** +91 79 26465179

**Email:** ahmedabad@linkintime.co.in

**Website:** www.linkintime.co.in

#### Share Transfer System

Share transfer would be registered and returned within a period of 15 (Fifteen) days from the date of receipt. The Stakeholders Relationship Committee meets on 10/15 days gap depending upon number of transfers received.

Pursuant to Regulation 40(9) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with Stock Exchanges, certificates, on half yearly basis have been issued by a Company Secretary-in-Practice for due compliance of share transfer formalities by the Company. Pursuant to Regulation 55A of SEBI (Depositories and Participants) Regulation, 1996, certificates have been received from a Company Secretary-in-Practice for timely dematerialisation of shares and for reconciliation of the share capital of the Company on a quarterly basis.

**Distribution of Shareholding (AS ON 31-03-2019)**

No. of Equity Shares held	No. of Shareholders	%	No. of Shares	%
Up to 500	5679	84.80	897058	6.58
501 – 1000	648	9.68	471197	3.46
1001 – 2000	185	2.76	271240	1.99
2001 – 3000	63	0.94	164158	1.21
3001 – 4000	25	0.37	88567	0.65
4001 – 5000	17	0.26	77819	0.57
5001 –10000	41	0.61	280505	2.06
10001 & above	39	0.58	11373008	83.48
<b>Grand Total</b>	<b>6697</b>	<b>100.00</b>	<b>13623552</b>	<b>100.00</b>

**Dematerialisation of Shares and Liquidity**

The Company has entered into an agreement with both depositories i.e. NSDL and CDSL so that the shareholders of the Company could avail the benefit of multi depository system.

MODE OF HOLDING	NOS. OF SHARES (UP TO 31.03.2019)	% (PERCENTAGE) (UP TO 31.03.2019)
NSDL	1,17,99,610	86.61%
CDSL	8,75,469	6.43%
Physical	9,48,473	6.96%
<b>TOTAL</b>	<b>13623552</b>	<b>100.00%</b>

**Outstanding Global depository Receipts/American depository Receipts/Warrants or any Convertible Instruments, Conversion date and likely impact on equity:** Not Applicable

**Commodity price risk or foreign exchange risk and hedging activities:** Not Applicable

**Plant Locations:** As the Company is only engaged in trading activity, it does not have any plant.

**Correspondence may be address to: -**

Mr. Yogesh Ghatge,  
 Company Secretary & Compliance Officer  
 Secretarial Department,  
 606, 'Swagat', Nr. Lal Bungalow,  
 C.G. Road, Ahmedabad – 380 006, Gujarat  
 Phone No.:- 079 – 26421422-99 Fax No.:- 079 – 26569898  
 Email Id:- investorcomplaints@gmail.com  
 Website:- www.ausom.in

**13. Other Disclosures**
**Disclosure on materially significant related party transaction, that may have potential conflict with the interest of the Company at large:**

During the financial year 2018-2019, there were no transactions of material nature with the Directors, Key Managerial Personnel and management or with their relatives that had potential conflict with the interest of the company. The policy on Material Related Party Transactions is available on the website of the Company:

<http://ausom.in/PDF/POLICY/Material%20Related%20Party%20Transaction%20Policy.pdf>

**Details of non-compliance by the Company, penalties, strictures imposed by the stock exchanges/ SEBI or any statutory authority, on matter related to capital markets, during the last three years :-** None

**Vigil Mechanism/ Whistle Blower Policy**

In accordance with requirement of Section 177 Companies Act, 2013 as well as Regulation 22 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 a vigil mechanism/ Whistle Blower Policy has been adopted by the Board of Directors and accordingly a whistle blower policy has been formulated with a view to provide a mechanism for employees of the company to approach Internal Auditor or Chairman of the Audit Committee of the Company to report any grievance. The said Whistle Blower Policy is annexed at **Annexure –'G'** of Board Reports and the same is also available on web-link:

<http://ausom.in/PDF/POLICY/Vigil%20Mechanism%20Policy%20&%20Whistle%20Blower%20Policy.pdf>

We affirm that the Company has not denied to any employee access to the Audit Committee.

**Details of Compliance with mandatory requirements and adoption of the non-mandatory requirements:**

The Company has complied with all the mandatory requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in respect of Corporate Governance. Regarding Non- mandatory requirements, the same will be adopted by the Company in due course of time.

**Web link where policy for determining “material” subsidiaries is disclosed:**

The Company does not have any subsidiary including material subsidiary Company.

**Disclosure of commodity price risks and commodity hedging activities:** Not Applicable

**There has been no instance of non-compliance of any requirements of Corporate Governance Report.**

**Compliance of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.**

The Company complied with the mandatory requirements of Corporate Governance as specified in Regulation 17 to 27 and Clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**Disclosure with respect to demat suspense account/ unclaimed suspense account:** Not Applicable

**Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:**

- a. number of complaints filed during the financial year: Nil
- b. number of complaints disposed of during the financial year : Nil
- c. number of complaints pending as on end of the financial year. : Nil

**CHIEF EXECUTIVE OFFICER (CEO) AND CHIEF FINANCIAL OFFICER (CFO) CERTIFICATE:**

In accordance with the requirements of Regulation 17(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 , Mr. Kishor Mandalia, Managing Director/CEO and Mr. Rupesh Shah, CFO of the Company, have certified on annual compliance of financial reporting and internal control to the Board to the best of their knowledge and belief. Certificate attached at **Annexure –'2'**.

**Annexure –'1'**

**CERTIFICATE ON COMPLIANCE WITH CODE OF CONDUCT**

As per the terms of Para D of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, I hereby confirm that the Company has obtained from all the members of the Board and Management Personnel affirmation that they have complied with the Code of Conduct for the financial year 2018-19.

**For AuSom Enterprise Limited**

**Place: Ahmedabad  
Date: 13th August, 2019**

**Kishor P. Mandalia  
Managing Director**